



Facts About Manufactured Home Property Taxes

Manufactured homes in California are taxed through the:

- local property tax system administered by the county in which the manufactured home is located
- and/or***
- by payment of vehicle “in-lieu” license fees (charges imposed “in place of” property taxes) to the Department of Housing and Community Development (HCD).

Before July 1, 1980, manufactured homes that were not on permanent foundations were treated as motor vehicles and were taxed just like automobiles or trucks through in-lieu license fees. In 1980, the State Legislature adopted the “Mobile Home Property Tax Law.” This law provides for the assessment on the local property tax roll of all new and some used manufactured homes purchased on or after July 1, 1980, in a manner similar to conventional homes.

What is a manufactured home?

In broad terms, a manufactured home is a structure, transportable in one or more sections, designed and equipped to contain one or more dwelling units, and to be used with or without a foundation system. Specifically, any trailer coach that is more than eight feet wide or forty feet long, or one that requires a permit to move on the highway, is considered a manufactured home. NOTE: Recreational vehicles, as well as buses and prefabricated housing units, are *not* considered manufactured homes.

My manufactured home is sitting on a permanent foundation on my property. How will it be taxed?

For purposes of taxation, manufactured homes affixed to the land on a permanent foundation are considered modular housing, and as such have always been taxed in the same way as conventional homes. Manufactured homes on permanent foundations are subject to supplemental taxes when appropriate and are also entitled to all the benefits and exemptions due any homeowner.

If your manufactured home is **not** installed on a permanent foundation, please read on. Throughout the remainder of this pamphlet, the term “manufactured home” refers only to those that are not on permanent foundations.

Under what circumstances might my manufactured home have automatically become subject to local property taxes as opposed to in-lieu license fees?

If your manufactured home was originally purchased new on or after July 1, 1980, it is automatically subject to local property taxes. Also, if the license fees on your manufactured home, regardless of when it was originally purchased, were delinquent for 120 days or more

between July 1, 1980, and October 1, 1984 (i.e. became delinquent on or before May 31, 1984), and which were not reinstated by December 31, 1986, your manufactured home was automatically converted to the local property tax system. (Delinquent license fees no longer cause automatic transfer to local property taxation.)

How can I change taxation of my manufactured home from in-lieu license fees to the local property tax system?

You can request a voluntary conversion to local property taxes by contacting the Department of Housing and Community Development. Their local office is located at 3220 So. Higuera, Room 103B, San Luis Obispo, CA 93401. For further information, please call them at (805)549-3373.

If my manufactured home currently is subject to local property taxation, can I request reinstatement to in-lieu license fees?

Once manufactured homes have been converted to local property taxation, vehicle in-lieu license fees may *not* be reinstated.

If I'm currently paying in-lieu license fees, will I be able to continue paying license fees?

Unless you request voluntary conversion to local property taxation, you will be able to continue paying license fees. If you sell your manufactured home, the new owner likewise will pay in-lieu license fees, unless they request a voluntary conversion. NOTE: Manufactured homes subject to in-lieu license fees are also subject to sales or use tax when sold.

I am paying in-lieu license fees on my manufactured home. Why am I also getting a property tax bill?

The County Assessor may be required to place a value on any accessories which are attached to the manufactured home, such as porches, awnings, skirting, decks, etc. This accessory value will generate a yearly property tax bill. (Please refer to Sections 1.B. and 2.B. of the chart within this pamphlet for further information.)

If I purchase a new or used manufactured home or modify my manufactured home by construction, will I have to pay supplemental taxes?

It depends on what type of taxes and/or fees are currently being paid. Manufactured homes that are subject to local property taxation are subject to supplemental taxes. Manufactured homes that are subject to vehicle license fees may have accessories that are subject to supplemental taxes.

How do I get the title of a manufactured home transferred to my name?

All manufactured home title issuance is administered by the State's Department of Housing and Community Development. In many cases, that department cannot transfer title of a pre-owned manufactured home without a Tax Clearance Certificate from the County Tax Collector of the county in which the manufactured home is located. The request must be made in person or in

writing; it cannot be done over the telephone. You must have a copy of the Registration, Certificate of Title, or Title Search from the Department of Housing and Community Development. If there are any outstanding taxes, they must be paid before the County Tax Collector can issue a Tax Clearance Certificate.

How is the assessed value of my manufactured home determined?

Manufactured homes are valued by a cost, market, and/or income approach. Section 5803(b) of the California Revenue and Taxation Code specifically provides that the assessed value of a manufactured home on leased or rental land is not to include any value attributable to the particular site where the home is located. Thus the assessor must not increase the value because of positive site influence nor decrease the value because of negative site influence.

Do I have any recourse if I disagree with the value placed on my manufactured home by the Assessor?

If you disagree with the taxable value of your property, you may request a review of your assessment. All original data used to assess your property, and any additional information provided by you, will be reviewed by the Assessor's staff to determine if the assessed value should be changed. Requests for Assessment Reviews must be submitted to the Assessor's Office, County Government Center, Room 100, San Luis Obispo, CA 93408. If the review of your property assessment is not resolved to your satisfaction, you may have the opportunity to file for an assessment appeal.

Assessment Appeals must be filed with the County Clerk's Office, 1144 Monterey, Suite A, San Luis Obispo, CA 93408. The Assessment Appeals Board (AAB) considers all evidence presented by the property owner and the Assessor's staff at a formal hearing. After hearing evidence, the AAB then establishes the value of the property in question. For more information, an application, or filing deadlines, call the County Clerk's Office at (805)781-5245.

Are exemptions and assistance programs available to manufactured home owners?

Applications for homeowners', veteran, church, welfare or other exemptions may be obtained from the Assessor's office. These exemptions are available subject to certain qualifications, and if allowed, will result in a reduction of taxes.

The State of California administers programs which provide property tax assistance and postponement of property taxes to qualified homeowners and renters who are blind, disabled, or 62 years of age or older. For information regarding the State's Homeowner or Renter Assistance Program, call (800)852-5711. For information regarding the Property Tax Postponement Program, call (800)952-5661.

The following table can be used to determine the assessability of manufactured homes and accessories:

MANUFACTURED HOMES		A. NON-TAXABLE In-Lieu Licenses Fees Paid to Housing & Community Development	B. TAXABLE Local Property Taxes Paid to the County Tax Collector's Office
1.	First sold prior to 1977	<ul style="list-style-type: none"> Manufactured Homes Accessories installed on a lot with a manufactured home first sold prior to 01/01/77 are <u>rebuttably</u> presumed to be included in the in-lieu license fees for the manufactured home 	<ul style="list-style-type: none"> Accessories which can be proven to have been added after the manufactured home sold, and thus are not part of the in-lieu license fees Accessories which are permanently affixed to the land
2.	First sold between 01/01/77 - 06/30/80	<ul style="list-style-type: none"> Manufactured Homes 	<ul style="list-style-type: none"> All accessories
3.	First sold on 07/01/80 and following	NONE	<ul style="list-style-type: none"> All Manufactured Homes and accessories
EXCEPTIONS TO NON-TAXABLE CATEGORY			
	<p>I. All Manufactured Homes voluntarily converted to Local Property Tax (LPT).</p> <p>II. All Manufactured Homes on a permanent foundation approved under Health and Safety Code Section 18551.</p> <p>III. All Manufactured Homes on In-Lieu Taxation (ILT) that were delinquent for 120 days or more between July 1, 1980, and October 1, 1984, and which were not reinstated by December 31, 1986.</p>		

This information is a synopsis of manufactured home property taxation. You may call the Assessor's office for more specific information. *The information in this pamphlet reflects California assessment/taxation laws in effect January 1, 2002.*